



Innovating Consumer PCs and Devices in the Media Center Ecosystem

Fran Dougherty
Director Of Platform Business Development
Windows eHome Division
Microsoft Corporation

Vision



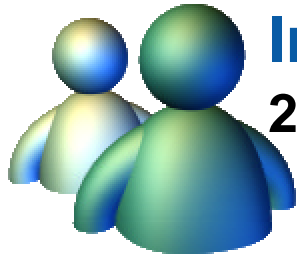
- *Home life made easier, more convenient, and more enjoyable with Windows.*

- Consumer electronics and PCs working together
- Breakthrough experiences with connected devices



From Vision to Reality

Growth and Excitement



Instant Messaging

250M users



DVD Players

67% growth in 2002



Digital Camcorders

15M US Households



Digital Music

61% US Internet HHs



Digital Cameras

25M US HH in 2002



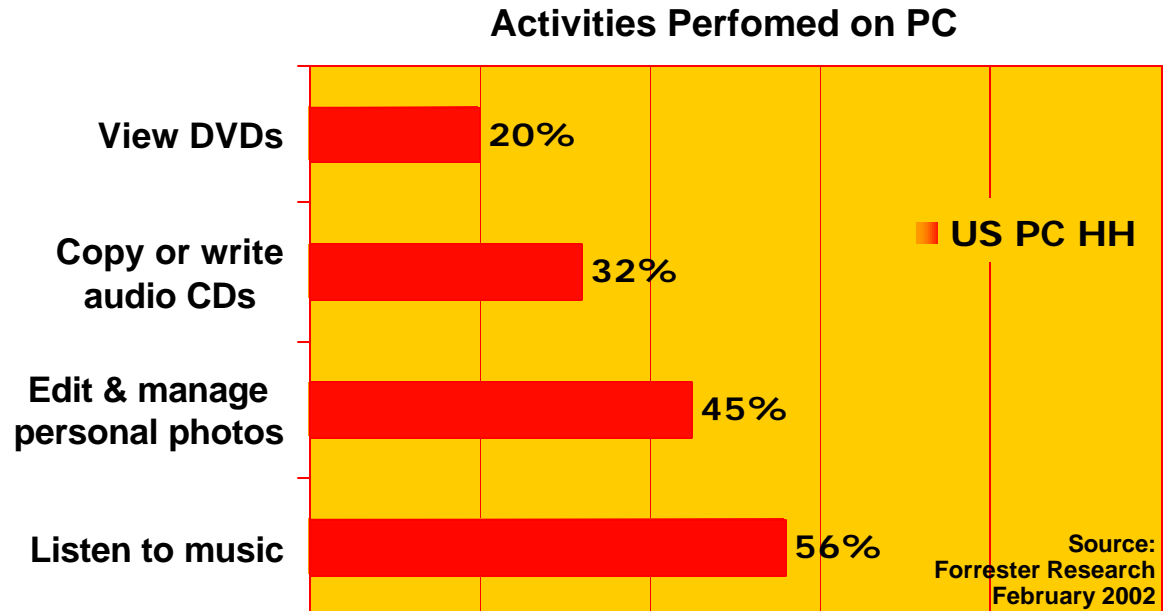
Digital Satellite/Cable TV

41% of US subscribers

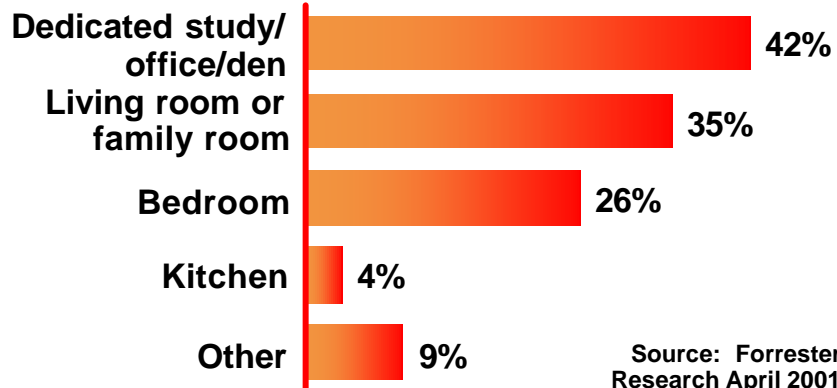
From Vision to Reality

PC Trends

Home PC usage
moving beyond
productivity...



Where are there desktop computers in your household?



Percent of online respondents who use
desktop computers at home
(Multiple responses accepted)

- PCs are leaving the den / home office
- PC form factor is morphing to fit other home environments
- Consumers expect PCs and AV components to work together

Home Networking Trends

- **High Growth Rate**
 - 33% increase in Home Network HH in 2001
- **Consumer use is driving demand**
 - 71% install for personal use
 - 25% install for business / employer use
- **Networking choices will continue to be fragmented... PCs provide the bridge**
 - 20% intend to use 802.11
 - 17% intend to use Cat5 / Ethernet
 - 14% intend to use Power Line

From Vision to Reality

Product Opportunities

Delivering distributed content and services

Networked Displays

- Windows Powered Smart Displays ("Mira")
- Media Center TV clients ("Bobsled")

Networked Digital Media Receivers

- DVD players, STBs, AV receivers
- Standalone appliances



Portable Digital Media Players

- Beyond audio to photos, video



Media Center PCs



Media Center STBs



Enabled by key Microsoft technologies and Industry Standards

Windows[®]
eHome



From Vision to Reality

VIA Technology Forum 2002

Windows Consumer Roadmap

Today



Simplicity and dependability

Digital media

Home networking

Most successful release ever

Powerful basis for next generation PCs and software

VTF 2002
VIA Technology Forum

2002/03



("Mira")

2004/05

"Longhorn"

- Communication & collaboration
- Digital media & entertainment
- Trustworthy hardware platform
- PC fundamentals

Networked Displays

- AV streaming
- Concurrency
- TV client devices



Media Center PCs

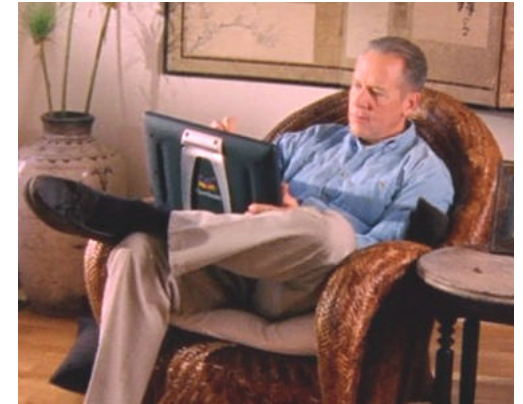
Connected Media Devices



Windows Powered Smart Displays

The Evolution of the PC Monitor

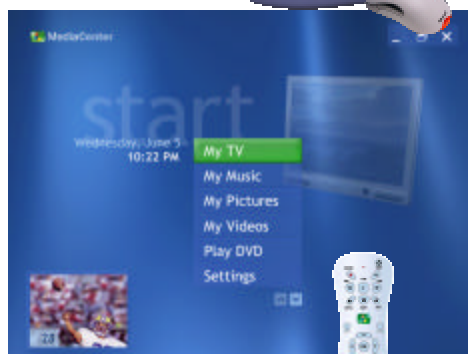
- **Cordless Monitor for the Home**
- **Extends your Windows XP experience anywhere in the home**
 - Liberating, Empowering, Convenient
- **Based on Windows CE**
 - Set-up in 10 minutes or less (incl. USB wireless)
 - Simple/Robust Connectivity
 - Flexible Interaction Model
- **Target Audience: Super & Enthused General Users**
 - Launching WW in 1QCY03



From Vision to Reality

Windows XP Media Center Edition

The best of computing and home entertainment



VTF 2002
VIA Technology Forum

- ***Complete PC***
 - All your Windows XP experiences
- ***More entertainment choices***
 - Seamless and integrated TV, PVR, EPG – with no service fees
 - Windows XP digital media - music, pictures, video, and DVD
- ***Anywhere in the room***
 - Windows Media Center compatible remote control
- ***New marketing opportunities***
 - Ideal for PC digital media enthusiasts, teenagers, college students, space constrained consumers
 - Demand driver for upgraded peripherals: HDD, audio, speakers, monitors, recordable DVD
 - Differentiation thru advanced ISV media applications



From Vision to Reality

demo



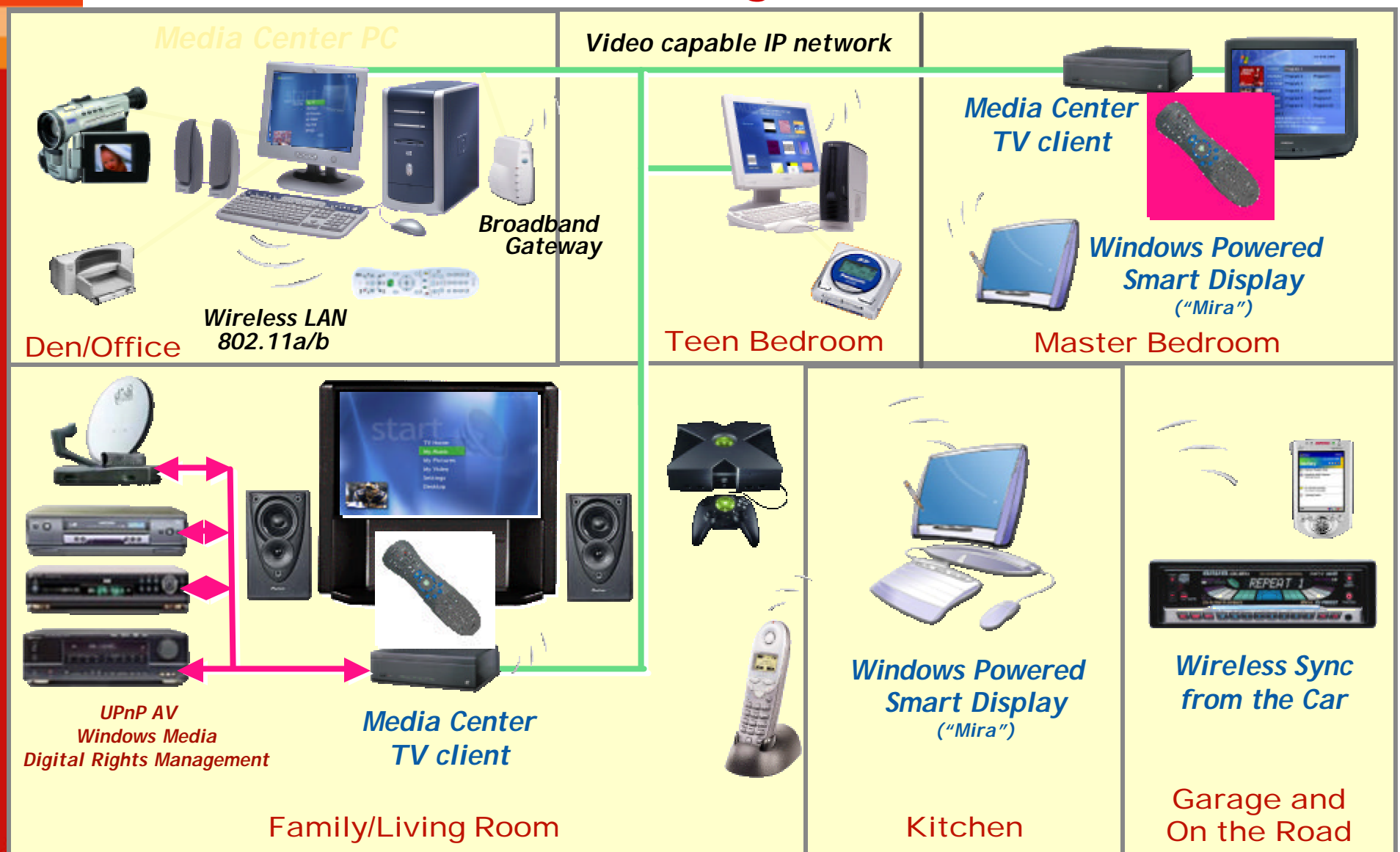
Microsoft®
Windows[®] xp
Media Center Edition

From Vision to Reality



VTF 2002
VIA Technology Forum

More PC Value Throughout the Home



Hardware Directions



- **Consumer-friendly industrial designs**

- Front panel displays and buttons
- Low noise and heat systems



- **PC video and TV capabilities**

- Digital and analog TV tuners
- Windows Media Video encoding
- High-quality TV output



- **AV device connectivity and control**

- Windows Media Center remote controls
- PC IR receiver/emitters
- UPnP digital media receivers

From Vision to Reality

Windows Media Center Remote Controls



Launches Windows Media Center



Transport

Navigation

AV Control

Keypad

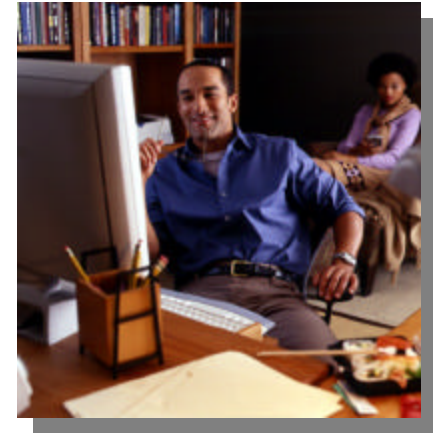
OEM

Reference design only, OEMs create their own designs and form factors

From Vision to Reality

Digital Decade Opportunity

**Consumer electronics and
PC industries working
together**



**Simple, trustworthy
technology for consumers**



**Breakthrough experiences
with cool, connected devices**

From Vision to Reality



Getting There

Our shared challenges...

Simple, automatic home networks

Compelling, premium digital content sources and formats

Rich, integrated experiences throughout the home

From Vision to Reality



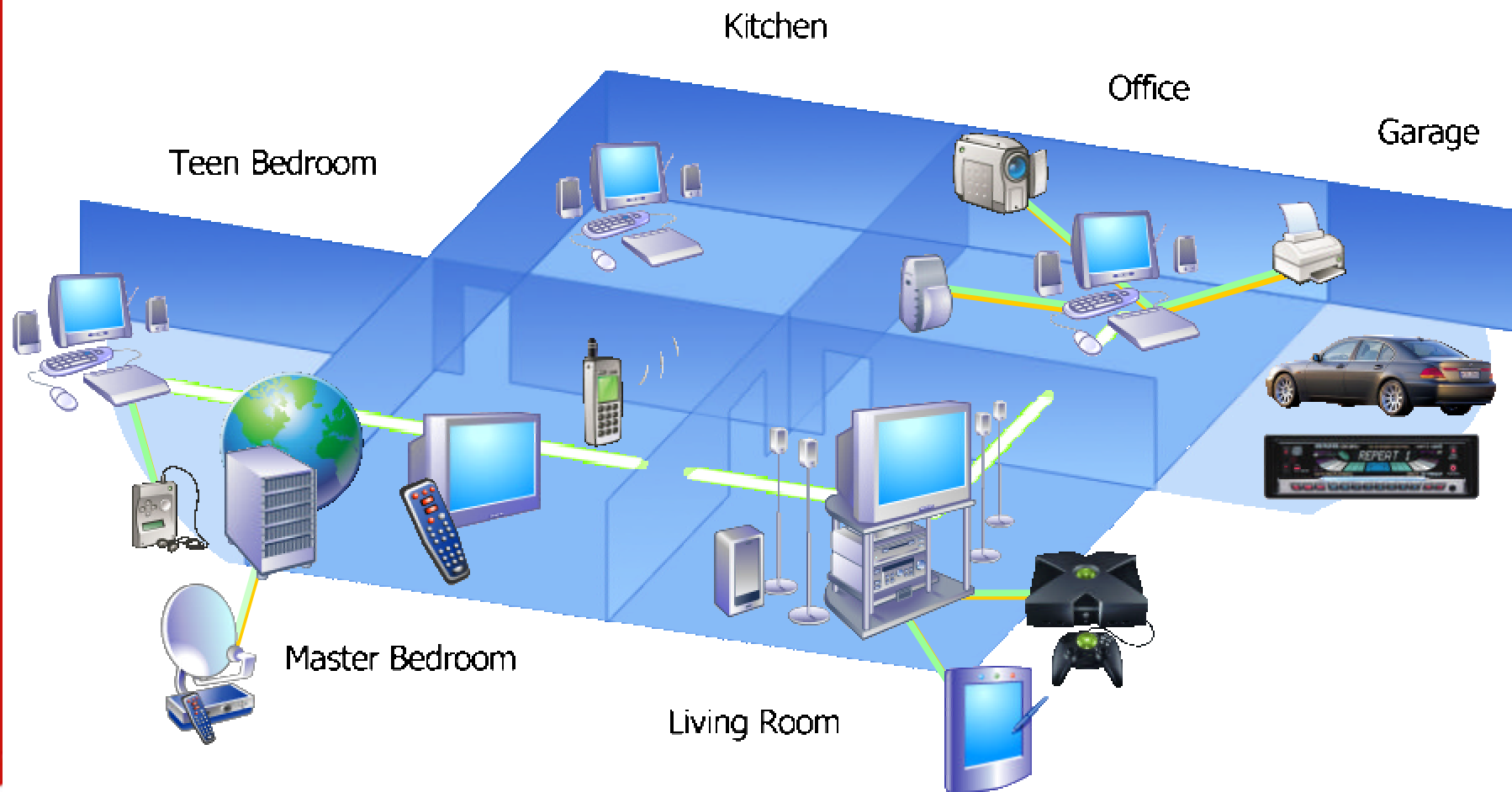
Summary

**New consumer opportunities
for the “Digital Decade”**

**Digital media and entertainment
are leading the way**

**Microsoft wants to work with you
to deliver exciting new PCs and
devices**

Media Center Ecosystem



From Vision to Reality

Thank you.



From Vision to Reality